

## CLAIMS

We claim:

1 1. Targeted incentive generation apparatus, for use with a sales transaction  
2 recording system having at least one checkout terminal and a store controller with access  
3 to an item price file, the apparatus comprising:  
4 storage means for holding data defining separate sets of incentive terms  
5 pertaining to at least one item of which sales are to be promoted;  
6 means for identifying a purchased triggering item presented at a checkout  
7 terminal;  
8 means for identifying an additional item associated with the purchased  
9 triggering item in an incentive deal, wherein one of the two items is a promoted item and  
10 the other is a competitive item;  
11 means for obtaining sales prices for the promoted item and the competitive  
12 item;  
13 means for selecting a set of incentive terms from the storage means, based  
14 on whether the purchased triggering item is the promoted item or the competitive item,  
15 and further based on the prices of the promoted item and the competitive item, wherein  
16 the incentive terms are tailored to a consumer's purchasing behavior and the price of the  
17 promoted item relative to the competitive item; and  
18 means for generating an incentive for the consumer, consistent with the  
19 selected set of incentive terms.

1 2. Targeted incentive generation apparatus as defined in claim 1, wherein:  
2 each set of incentive terms takes the form of an entry in a table of  
3 incentive terms accessed by a first parameter defining whether the purchased item is the  
4 promoted item or the competitive item, and a second parameter defining the relative  
5 price relationship between the promoted item and the competitive item.

1           3. Targeted incentive generation apparatus as defined in claim 2, wherein:  
2           the second parameter provides for access to different table entries based  
3           on whether the competitive item price is more, less, or the same as the promoted item  
4           price.

1           4. Targeted incentive generation apparatus as defined in claim 3, wherein:  
2           the second parameter defining the price relationship has at least three  
3           values, including a first value when the purchased item has the lower price, a second  
4           value when the purchased item and the competitive items have the same price, and a  
5           third value when the purchased item has the higher price.

1           5. Targeted incentive generation apparatus as defined in claim 1, wherein:  
2           the apparatus further comprises means for identifying at least one other  
3           additional item associated with the purchased triggering item;  
4           one of the triggering and additional items is a promoted item and the  
5           others are competitive items;  
6           the means for obtaining sales prices obtains the prices of all the additional  
7           items; and  
8           the storage means contains additional sets of incentive terms, for use in  
9           selecting a set of incentive terms for each possible pairing of promoted and competitive  
10          items.

1           6. A method for generation of purchase incentives, for use with a sales  
2           transaction recording system having at least one checkout terminal and a store controller  
3           with access to an item price file, the method comprising the steps of:  
4           storing in a storage means data defining multiple separate sets of incentive  
5           terms pertaining to at least one item of which sales are to be promoted;  
6           identifying a purchased triggering item presented at a checkout terminal;  
7           identifying an additional item associated with the purchased triggering item  
8           in an incentive deal, wherein one of the two items is a promoted item and the other is

9 a competitive item;  
10                   obtaining sales prices for the promoted item and the competitive item;  
11                   selecting a set of incentive terms from the storage means, based on  
12 whether the purchased triggering item is the promoted item or the competitive item, and  
13 further based on the prices of the promoted item and the competitive item, wherein the  
14 incentive is tailored to a consumer's purchasing behavior and to the price of the  
15 promoted item relative to the competitive item; and  
16                   generating an incentive for the consumer, consistent with the selected set  
17 of incentive terms.

1                    7. A method as defined in claim 6, wherein the step of selecting a set of  
2 incentive terms includes:  
3                    retrieving a set of incentive terms from an incentive matrix accessed by  
4 first and second parameters, wherein the first parameter is whether or not the purchased  
5 item is the promoted item and the second parameter is the price of the promoted item  
6 relative to the price of the competitive item.

1 8. A method as defined in claim 7, wherein:  
2 the second parameter defining the price relationship has at least three  
3 values, including a first value when the purchased item has the lower price, a second  
4 value when the purchased item and the competitive items have the same price, and a  
5 third value when the purchased item has the higher price.

1                   9. A method as defined in claim 6, wherein:  
2                   the method further comprises the step of identifying at least one other  
3                   additional item associated with the purchased triggering item, one of the purchased and  
4                   additional items being a promoted item and the others being competitive items;  
5                   the step of obtaining sales prices includes obtaining sales prices of all of  
6                   the additional items; and  
7                   the step of selecting a set of incentive terms includes selecting multiple

8 sets of incentive terms, each applicable to a different possible pairing of promoted and  
9 competitive items.

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